

**Covenant Agreement between
Alliance Residential Company and
North Shoal Creek Neighborhood Association**

March 6, 2012

This agreement relates to that certain 5 acre property known as 8100 Burnet Road, Austin, Texas, 78757 (the "Project").

Upon (i) the approval of the rezoning of approximately 4 acres of the Project to MF-6-CO zoning (including a conditional overlay limiting the MF-6 portion of the Project to 300 multifamily units and 60' building height), (ii) the purchase of the Project by Alliance Residential, and (iii) the commencement of development of the Project to include multifamily use including 250 or more units, then Alliance Residential agrees to include the following obligations, restrictions and other provisions within the site development plans, site development permit, building permit, or separate restrictive covenant concerning the Project.

A. Agreements regarding use of site:

1. Open Space. Developer/Alliance agrees to create an open space focal point for the property, conceived as a consolidated gathering space in the southwest corner of the CS and the southeast corner of the MF zone comprising 3000 sq. ft., that may be located anywhere within the hashed area on the attached survey with none of the 3,000 sq. ft. being part of the 25' building setback area on the South side of the property; notwithstanding the foregoing, Developer/Alliance may create additional open space in the 25' building setback as allowed under the City code and regulations.
2. To the extent a driveway is not required between the CS and MF zones of the Project, Developer/Alliance agrees to measure the space they are proposing for what was previously "the drive" and define that amount as required private common space for the MF property that is within the property lines, and does not include fire lanes or the drainage culvert.
3. Make a pedestrian/bike path or lane between the commercial and residential parts of the development that has grass and other features to make it a pleasing experience to travel along. Trees would be nice along this path/lane.
4. To prevent development traffic from turning down/west on Ashdale, any access into the development from Ashdale shall to be designed and constructed to be Right in, Left out traffic flow, to the extent allowed by the City. Neither Alliance nor its representatives will lobby the City against this traffic restriction.
5. Any drive-thru traffic for the commercial uses in the CS zoned property shall both enter the property from Burnet Rd. and exit the property onto Burnet Rd. and not enter the Commercial Tract from Ashdale Drive nor exit the Commercial Tract onto Ashdale. The restriction set forth in this paragraph A.5. will also be in a Restrictive Covenant that will be held in escrow and filed upon the purchase of the Project by Alliance.
6. Along Ashdale make a grassy, tree-lined boulevard with wide sidewalks and possibly with nice street lamps and park benches. Along Burnet have trees spaced no greater than 30 feet.
7. Use reasonable efforts to incorporate and design and build apartments along Ashdale to include front porch "stoops" to encourage a neighborhood-friendly, pedestrian-friendly development.
8. Design and build both commercial and residential to include bike-friendly amenities such as convenient and usable bike racks and lockers (and bike storage for residents).
9. Design and build the parking garage so car lights do not shine directly into neighboring properties.

10. No short-term rental (less than 30 days) will be allowed. No more than 15 units allocated to corporate rental for temporary housing for employees.

11. Traffic Light at Teakwood and Burnet Road. If the City installs a traffic light at Teakwood and Burnet Road, Alliance Residential will contribute 20% of the cost of the traffic light at that intersection.

B. Other Agreements: Developer/Alliance and subsequent owners agree to support NSCNA in their efforts to convince the City to do the following:

1. Developer/Alliance shall place \$50,000 in an escrow account dedicated to support efforts for traffic calming on Ashdale. This would be to help motivate the city to move and move quickly on traffic calming and pedestrian oriented features on the Property along Ashdale. If it's not needed for this purpose NSCNA can decide to redirect the money into buying larger caliper trees to be planted along the grassy boulevard along Ashdale. Traffic calming could include bike lanes; narrowing Ashdale by moving curbs inward to make room for sidewalks; possibly elevated bike paths with the sidewalks and wider grassy boulevard; narrow car driving lanes; roundabouts; or other ideas. Developer/Alliance shall be responsible for approving disbursements (and such approval shall not be unreasonably withheld) from the escrow account for these purposes within 10 years. All or a portion of the \$50,000 identified in this paragraph B.1. may also be used for the Anderson Urban Trail.

2. Assist in locating a Bus Rapid Transit stop being closer to 8100 Burnet from the current plan which is adjacent to Northcross Mall.

3. Anderson Urban Trail: (1) An additional \$10,000 will be placed in an escrow account by Developer/Alliance that may be utilized to fund the building of this path if city funding isn't adequate; and (2) provide lobbying support to try to secure the possible city bond funding that is being considered for this project. Developer/Alliance shall be responsible for approving disbursements (and such approval shall not be unreasonably withheld) from the escrow account for these purposes within 10 years. All or a portion of the \$10,000 identified in this paragraph B.3. may also be used for the Anderson Urban Trail.

4. Lobby the city for installation of a traffic light that serves Teakwood and the north end of 8100 Burnet on Burnet Rd. Agree to work with Wooten Neighborhood Association to try to agree upon a solution to their need for resolving traffic problems at Burnet Rd. and Teakwood. Their issue is that when Wooten residents are southbound on Burnet and want to get into the left turn lane to turn left onto Teakwood the left turn lane is blocked by cars coming out of 8100 Burnet and wanting to go north on Burnet Rd.

This support includes providing an owner letter of support and communicating via e-mail, phone, letter and in-person meetings with relevant city commissions, staff members, boards, and city council members, including joining in written communication with NSCNA and jointly meeting with these listed city groups and people in person as needed.

ALLIANCE REALTY PARTNERS, LLC,

a Delaware limited liability company

By:  _____

Name: Brian P. Austin

Title: Vice President

Date: March 5, 2012

